



***Office of State Budget Director***

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**Mary E. Lassiter**  
**State Budget Director**

Governor's Office for Policy and Management  
Governor's Office for Economic Analysis  
Governor's Office for Policy Research

August 15, 2011

Ms. Mary E. Lassiter  
State Budget Director  
Office of State Budget Director  
Room 284, Capitol Annex  
Frankfort, Kentucky 40601

Mr. Robert Sherman, Director  
Legislative Research Commission  
Room 300, State Capitol  
Frankfort, Kentucky 40601

Ms. Laurie Dudgeon  
Executive Director  
Administrative Office of the Courts  
100 Millcreek Park  
Frankfort, Kentucky 40601

Dear Ms. Lassiter, Mr. Sherman and Ms. Dudgeon:

The attached information contains the preliminary budget planning report, consisting of forecasts for the state's economy over the FY12-FY16 period, and includes planning estimates for the General Fund, Road Fund, and Master Settlement Agreement for this period. This information was prepared jointly by the Governor's Office for Economic Analysis and the Consensus Forecasting Group at a meeting held on August 4, 2011 in accordance with KRS 48.120(1). These estimates do not represent a formal revision of the official estimates.

The budget planning report forecasts for FY12-FY16 are:

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Road Fund</u>	<u>MSA</u>
FY12	\$9,063,200,000	\$1,424,200,000	\$94,700,000
FY13	\$9,365,800,000	\$1,500,000,000	\$93,900,000
FY14	\$9,703,900,000	\$1,583,500,000	\$90,700,000
FY15	\$10,014,600,000	\$1,638,500,000	\$93,200,000
FY16	\$10,358,100,000	\$1,711,800,000	\$89,800,000

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The CFG will meet at on October 14<sup>th</sup> to render the preliminary revenue estimates for the FY12-14 biennium. On or before the fifteenth legislative day of the upcoming Regular Session of the General Assembly, the Office of State Budget Director shall certify and present to the General Assembly the official revenue estimates made by the consensus forecasting group pursuant to KRS 48.120(3).

We will make every effort to keep you informed of events crucial to our fiscal planning.

Greg Harkenrider  
Deputy Executive Director  
Governor's Office for Economic Analysis